

BOARD OF AGRICULTURE, TRADE AND CONSUMER PROTECTION MINUTES

February 19, 2013

The Board of Agriculture, Trade and Consumer Protection met on February 19, 2013, at the Department of Agriculture, Trade and Consumer Protection, 2811 Agriculture Drive, Board Room, Madison, WI. The meeting was preceded by public notice as required by s. 19.84, Stats.

Call to Order

Board Chair Andy Diercks called the meeting to order at 11:07 a.m.

Members Present

Michael Dummer, Miranda Leis, John Koepke, Andy Diercks, Mark Schleitwiler, Richard Cates, Pam Garvey and Margaret Krome were present. Enrique Figueroa was absent.

Minutes

Motion

John Koepke made a motion to approve the December 18, 2012, Board minutes. Second by Michael Dummer. Motion approved unanimously.

Election of Officers

The Board conducted its annual election of officers.

Board Chair

Margaret Krome nominated Andy Diercks for Board Chair. The nomination was seconded by Pam Garvey. There were no additional nominations. Motion approved unanimously.

Vice Chair

Margaret Krome nominated Richard Cates for Board Vice Chair. The nomination was seconded by Mike Dummer. There were no additional nominations. Motion approved unanimously.

Secretary

Pam Garvey nominated John Koepke for Board Secretary. The nomination was seconded by Margaret Krome. There were no additional nominations. Motion approved unanimously.

Public Appearances

Paul Zimmerman, Wisconsin Farm Bureau Federation (WFBF), asked the Board to approve the ch. ATCP 50 hearing draft relating to soil and water resource management. Zimmerman said ATCP 50 needs updating to reflect changes adopted by the Department of Natural Resources in ch. NR 151. WFBF supports authorizing public hearings to give farmers and the public the opportunity to comment on the rule, including the nonpoint source pollution prevention program.

Jordan Lamb, Wisconsin Potato and Vegetable Growers Association, Wisconsin Pork Association, Wisconsin Cattlemen's Association, asked the Board to authorize public hearings on ch. ATCP 50, relating to soil and water resource management.

Kirk Calkins, Wisconsin Land and Water Conservation Association, spoke to the Board regarding ch. ATCP 50 hearing draft relating to soil and water resource management. Calkins said many of the proposed changes are good, making clarifications and incorporating new performance standards, but he expressed concerns with the following issues::

- Increases in conservation compliance standards.
- Changes in the funding formula for county staffing.
- Conservation practice funding penalties, specifically the reduced cost-share to non-farmers and elimination of cost-share to local government.
- The definition of "farm" is inconsistent with ch. NR 151 and the Department of Revenue's position.

ATCP 50 –Soil and Water Resource Management (Hearing Draft Rule)

Sara Walling and Richard Castelnovo, Agricultural Resource Management Division, asked the Board to authorize public hearings on a proposed rule amending ch. ATCP 50, related to soil and water resource management.

Among other things, this rule will:

- Update the farm conservation standards in subch. II of ch. ATCP 50, and related definitions, including updates to the RUSLE 2 definition.
- Define a method for determining the distance between 5 and 20 feet for a tillage setback.
- Revise the soil erosion control standard to include pastures.
- Modify nutrient management planning requirements for pastures, including a phase-in process to address high risk areas.

- Clarify the conservation compliance requirements for the farmland preservation program, including a phase-in of the farm runoff standards updated in NR 151.
- Simplify the manner by which engineering practitioners are certified.
- Update the technical and other standards for practices cost-shared with state funds.
- Better support implementation of performance standards on farms.

Motion

Richard Cates made a motion to amend s. ATCP 50.04 (3) (b) in the hearing draft from:

ATCP 50.04 (3) (b) The plan shall include every field on which the landowner mechanically applies nutrients, including pastures.

to:

ATCP 50.04 (3) (b) The plan shall include every field on which ~~the landowner mechanically applies nutrients~~ are applied, including pastures.

Second by Mike Dummer. Motion approved unanimously.

Motion

Mike Dummer made a motion to authorize public hearings on the amended hearing draft rule. Second by Pam Garvey. Motion approved unanimously.

Conservation Awards (Report)

Secretary Ben Brancel, and James Bramblett, State Conservationist for the Natural Resources Conservation Service (NRCS), recognized four Wisconsin farmers for their exemplary soil and water conservation efforts on their farms.

Secretary Brancel recognized the following individuals:

- **Kathy Ruggles and John Thomas:** Ruggles and Thomas farm in a high-risk area of Dunn County between two ox bow lakes. They have restored 20 acres to prairie, managed their forest land, and are targeting five acres for invasive species removal.
- **Heather Flashinski:** Flashinski is a beginning farmer in Chippewa County who grazes cattle and chickens. In addition to these and other conservation practices already in place, she planted a tree boarder and improved her pastures by interseeding legumes.
- **David Meyer:** Meyer custom raises dairy heifers in Pierce County, along with raising cattle, grain and hay. He uses conservation practices to control erosion next to a high-value trout stream, and fencing to keep livestock out of the stream while allowing wildlife to pass through.

Wisconsin Agricultural Statistics Services (WASS)

Bob Battaglia, Wisconsin Agricultural Statistics Service Statistician, updated the Board on the following:

- Wisconsin strawberry production totaled 31,000 hundredweight in 2012, down from 40,000 hundredweight in 2011, and 610 acres were harvested in 2011, down from 700 acres in 2011.
- Prices Received by Farmers:
 - Wisconsin milk prices decreased from \$23.10 per hundredweight in January, 2012, to \$20.30 per hundredweight in January, 2013.
 - Wisconsin corn prices increased from \$6.80 per bushel in December, 2012, to \$6.85 per bushel in January, 2013. National prices in January were reported at \$6.98 per bushel.
 - Wisconsin soybean prices decreased from \$14.00 per bushel in December, 2012, to \$13.90 per bushel in January, 2013. National prices in January were reported at \$14.10 per bushel.
 - Wisconsin oat prices decreased from \$3.99 per bushel in December, 2012, to \$3.75 per bushel in January, 2013. National prices in January were reported at \$3.93 per bushel.
 - Wisconsin alfalfa hay increased from \$235.00 per ton in December, 2012 to \$240.00 per ton in January, 2013. National prices in January were reported at \$217.00.
 - Wisconsin other hay increased from \$155.00 per ton in December, 2012, to \$160.00 per ton in January, 2013. National prices in January were reported at \$144.00.
- The second mailing of the Census of Agriculture Questionnaire was sent to farmers who have not returned the questionnaire. Approximately 63% has been returned. Results of the survey will be released in 2014.
- The Agricultural Resource Management Survey, sent out to 1,500 farmers, will calculate the costs of input and net farm income.
- The Prospective Planning Survey will be conducted and results will be released on March 28, 2012.
- Vegetable Summary for 2012 included:
 - Wisconsin remained in second place in the nation for total production and value of production for the major processing vegetables.
 - Wisconsin maintained its number one ranking in production of processing snap beans.
 - Wisconsin remained in third place for processing sweet corn.

- Wisconsin moved into first place in the nation for carrots for processing production due to an increase in acres harvested and higher yields.
- The 2011 Grape & Wine Industry Survey resulted in a 76% return. The survey was sent to Wisconsin grape growers and wine producers and asked for input on operations during the 2011 production year.
- NASDA Reorganization: State Statistician Bob Battaglia has been reassigned to Washington, D.C. as of May 26, 2013. Office reorganizations are expected to be completed by the end of 2013.

Food Safety Update (Report)

Steve Ingham, Division of Food Safety Administrator, updated the Board on food safety activities and provided an overview of the division's emphases during the remainder of 2013. The division has made considerable progress towards meeting federal standards and becoming a key part of an integrated national food safety regulatory system.

Ingham updated the Board on the following:

- Audits in 2012 included:
 - The Grade "A" Dairy Program – Results are still pending but, no negative findings are anticipated.
 - The State Laboratory – Results contributed to the department's acceptance into the Cooperative Interstate Shipment Program for meat and poultry products.
 - The Manufactured Foods Regulatory Program Standards – Results determined the division's progress towards meeting standards was acceptable.
- Food Safety received a grant from the Federal Drug Administration to buy ruggedized portable computers for use by food bureau staff during inspections.
- Cooperative Interstate Shipment Program progress.
- Position updates in the meat and poultry program and the hiring and training of staff.
- "Mini reorganization" in the food bureau to assist in shortening and sharpening training for field staff.
- 2013 National Conference on Interstate Milk Shipments will be held in April in Indianapolis. A major output of this conference is revisions of the Grade "A" Pasteurized Milk Ordinance.

Geographic Information System Update (Report)

Lisa Morrison, Geographic Information System Coordinator, updated the Board on the department's Geographic Information System (GIS). GIS is a computerized database management system that integrates, stores, edits, analyzes, shares, and displays geographic information for decision making. GIS applications are tools that allow users to analyze spatial information, edit data in maps, and supports planning, decision-making and emergency responses.

Major 2012 Activities include:

- Coordinating Geospatial Activities.
- Consolidating GIS Databases.
- Supporting 25+ Desktop GIS Users.
- Migrating Existing Web Mapping Applications.
- Developing New Web Mapping Applications.

Priorities for 2013 include:

- Migrate to ArcGIS 10.1.
- Enhance web mapping applications:
 - User editing of data.
 - Better mark-up tools.
 - Higher resolution imagery.
 - Image caching to improve performance.
 - Resolve data sharing issues.

ATCP 127 – Residential Rental Practices (Hearing Draft)

Sandy Chalmers, Trade and Consumer Protection Administrator, and Michelle Reinen, Bureau of Consumer Protection, asked the Board to authorize public hearings on a proposed rule to amend ch. ATCP 127, related to Manufactured Home Communities.

This rule does all of the following:

- Updates the existing rule by incorporating and defining “manufactured home” and “manufactured home community.” Current definitions applies only to “mobile homes” and “mobile home parks.”
- Repeals the definition “television service” and creates the definition “electronic communication service,” which will specify the mechanisms operators are allowed to use, or are prohibited from using, when billing tenants for these services.

- Amends the definition “utility service” to exclude water and sewer services. Section 100.20 (2) (b), Stats., was created after the promulgation of the current rule, which prohibits DATCP from regulating water and sewer services provided by manufactured home community operators.
- Updates the phrase “mobile home parking fee assessed by local units of government” with the term “municipal permit fee,” as specified under ch. 66, Stats.
- Repeals outdated and obsolete provisions in the current rule.
- Under the current rule, a rental agreement may not include a security deposit greater than either \$350 or three months’ rent, whichever is less. This rule updates the maximum security deposit to \$750, or two months’ rent, whichever is less.

Motion

Margaret Krome made a motion to authorize public hearings. Second by Mike Dummer. Motion approved unanimously.

Consumer Protection Update (Report)

Sandy Chalmers and Michelle Reinen updated the Board on the following:

- Top Ten Consumer Complaints of 2012:
 1. Telemarketing.
 2. Landlord/Tenant.
 7. Motor Vehicle Sales.
 3. Telecommunications.
 4. Identity Theft.
 5. Home Improvement.
 6. Appliances (Major).
 8. Gas Pump Accuracy.
 9. Motor Vehicle Repair.
 10. Contest/Sweepstakes/Prize Promotion.
- Consumer Protection had a total of 10,061 complaints filed in 2012.
- Enforcement cases.

Bureau of Field Services (Report)

Melissa Mace, Animal Health Division, updated the Board on the Animal Health Field Services Bureau (“BFS”). BFS partners with the United States Department of Agriculture (USDA), state and local agencies and private veterinarians, and it consists of five full-time office staff, and 29 full time field staff (6 of which are USDA staff).

There are approximately 68,000 registered premises in Wisconsin and 5,000 animal health licensed entities. Inspections, investigations, compliance, testing and proactive outreach activities are the primary responsibilities of BFS, which assist in securing the state’s animal health infrastructure and keeps Wisconsin disease free to promote continued positive business relationships.

In September, 2012, a potential foot and mouth disease outbreak was reported to the division due to vesicle and lesions found on slaughter pigs. Samples were drawn quickly and the test results were negative.

There are an estimated 354,000 jobs provided by agriculture, and the value of the agricultural industry to Wisconsin’s economy is approximately \$59.1 billion. Performing inspections, investigations and ensuring compliance help protect Wisconsin agriculture industry.

Bureau of Agrichemical Management Information Technology (Report)

Duane Klein, Agricultural Resource Management Division, updated the Board on the department’s Enterprise Information Technology (IT) project and provided a summary specifically of the Bureau of Agrichemical Management’s IT project.

These two projects are being implemented in order to modernize and streamline both the department’s data collection and internal processes while improving the services provided to the customer base.

The bureau has at least eight major databases and original documents containing the information within those databases are only available on paper forms, which include inspections, investigations, licensing, tonnage and permitting, and financial transactions. The bureau had completed an internal analysis by gathering ideas, meeting with external customers, and hiring business analysts.

Moving forward the bureau will be designing the system, gathering contractor bids, soliciting Joint Finance Committee approval and beginning programming.

Board Member Matters

Mark Schlietwiler: Business at BelGiosio is very good, with the new plant addition running at half capacity. The supply of milk is excellent and BelGiosio is exploring the expansion of two other plants this year. Schlietwiler leaves tomorrow for San Francisco.

Miranda Leis: Work at Organic Valley has been busy, with projects being finalized and new projects beginning. Leis attended the annual corn and soybean meeting where radio icon Orion Samuelson spoke. Dodge Trucks ran a commercial during the Super Bowl titled “So God Made a Farmer” featuring Paul Harvey, which reinforces the notion of how important agriculture is to people and the importance to continue telling the story.

Margaret Krome: USDA released a study on climate change and the impact it will have on agriculture. This specific issue is one the Board should take responsibility in advancing as it will have serious impacts on Wisconsin agriculture. Tremendous changes are expected by mid-century that includes interior temps rising 2-3 degrees, making it difficult for livestock to be raised with the current practices in place. The same issues will impact growing crops.

John Koepke: The winter has seen plenty of precipitation, with significant rains. Moving forward as a dairy producer, it will be interesting to see the impact of last year’s drought. Thankfully, the drought did not slow the supply of milk.

Pam Garvey: There has been plenty of snow and rain in Northern, Wisconsin. Crop insurance is being reorganized for 2013.

Michael Dummer: Dummer stated life and work have been very busy.

Richard Cates: Cates is between terms on the farming industry short course, which is an important fast-paced program focused on Wisconsin agriculture. Cattle sales are good. Cates turned 61 yesterday.

Andy Diercks: Diercks has been busy with meetings involving irrigation and climate change. The grower education meeting centered greatly around water issues. Snow has been on and off in the central sands area this winter. Andy thanked Bob Battaglia for all his work.

Secretary’s Report

Secretary Brancel updated the Board on the following:

Animal Health Division

Since Dr. Bob Ehlenfeldt retired, Jeff Lyon (Deputy Secretary) has been meeting with staff and conducting the administrative duties of the division. Secretary Brancel is responsible for the

animal health officer duties in which he has already overseen three potential disease outbreaks that tested negative.

Washington Post Editorial

An editorial in the Washington Post referenced the commercial “So God Made a Farmer” featuring Paul Harvey. The editorial mentioned “...farmers are getting so rich they don’t need anything else from us in government” and that “the ad is not a true reflection of what is going on in agriculture today.” This editorial recognizes what the ad intends, but the Secretary has a different take on the message, which shows that the work of telling the story of agriculture is not yet done.

Congressional Meetings

Secretary Brancel was in Washington last week and met with Congressman Lucas, Chair of the House Agriculture Committee, and two staffers of Ranking Member Congressman Peterson’s Office. Secretary Brancel expressed his perception to Congressman Lucas that most members of Congress do not connect the Farm Bill with food; they connect it with government dollar-delivery to the farm, and the other perception is that food stamps means votes. Congressman Lucas agreed that Brancel was pretty accurate. There are a limited number of congressional members that understand the programs being created in the Farm Bill for agriculture as a safety net or program benefit to people who do different things such as conservation or production. There have been strong policies over the years that have developed a very strong base in the United States for agriculture.

Wisconsin Exports

Wisconsin’s 2012 agricultural exports increased three percent from 2011 and generated \$2.9 billion, moving Wisconsin’s agricultural exports national ranking of 16th in 2011 to 13th in 2012. Dairy exports increased 21 percent, which includes whey, lactose and cheese products. Over \$280 million of dairy, eggs and honey exports was generated in 2012. The United States reported an increase of two percent in agricultural exports in 2012. Wisconsin must continue on a strong pace to meet the investments the processing communities have put into place due to an increase in the production of milk.

Assembly Review of Administrative Rules

The state assembly requested all state agencies’ administrative rules be reviewed by legislative committees. The department currently has 97 administrative rule chapters in six separate legislative committees. Rules are being reviewed regardless of whether the rule is currently under promulgation or if the department is creating a new rule. Staff is required to explain to the committee why a rule was created and the purpose of the rule.

Six Sigma Program

The department has formed an internal Six Sigma Program that trains staff how to evaluate program activities so the process can be conducted as efficiently as possible. The program initially started with three projects, including how to handle samples at the state laboratory that are tested. Six Sigma is specifically used to identify a better delivery of services.

Farm Bill

No additional work is expected to occur on the Farm Bill until June. A continuing resolution is in place until March, which suggests that money spent in 2011 can be spent the same in 2012 until a permanent budget is put in place. If a continuing resolution is put into place again, it will have a direct impact on how USDA provides services. Secretary Brancel requested an internal review of how divisions will run and administer programs that may lose 5-10 percent of federal funding.

Future Schedule and Agenda Items

The Board is scheduled to meet March 20 in Madison.

Adjournment

By unanimous consent, the Board adjourned at approximately 4:10 p.m.

Andy Diercks, Board Chair

John Koepke, Secretary